

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF AT&T COMMUNICATIONS)	
OF THE SOUTH CENTRAL STATES, INC.)	CASE NO. 91-425
TO ADJUST ITS RATES AND CHARGES)	

O R D E R

IT IS ORDERED that AT&T Communications of the South Central States, Inc. ("AT&T") shall file the original and 12 copies of the following information with the Commission, with a copy to all parties of record. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure that it is legible.

The information requested is due no later than March 16, 1992. If the information cannot be provided by this date, a motion for an extension of time must be submitted stating the reason for the delay and the date by which the information can be furnished. Such motion will be considered by the Commission.

1. Refer to the increase to the service charge for call conference service from \$9.00 per called station to \$10.00 per called station.

a. If AT&T's currently effective charge is recovering incremental costs, why is AT&T proposing to increase this charge?

b. Does this charge equal the current interstate service charge (F.C.C. No. 1, Section 4.2.2.D.1.b.)?

c. What service charge will apply if the conference call consists of both intraLATA and interLATA legs?

2. Referring to Page 3, No. 6, reasons for adjustment, elaborate on why AT&T is proposing a restructuring of its Operator Handled Conference Service.

3. Referring to Exhibit 1, Page 3 of 4:

a. Show that this new rate structure covers all variable costs.

b. Why should this service be billed by a different rate schedule than other message telecommunications services?

d. Describe the current market conditions to which AT&T is responding.

e. Is AT&T responding to anticipated market changes or to changes which have already occurred?

3. Provide and explain all market studies and mathematical calculations used to derive the new rate structure for Operator Handled Conference Service and the new rate periods.

4. State why using an ARPM formula for compensating common line costs is more appropriate than using a formula based on the number of access lines.

5. Describe the methodology used to develop the forecasted call volumes and hence changes in revenue for each affected service category.

a. Provide the calculations underlying the present and proposed average revenue per minute.

b. Provide the calculations underlying access cost per minute.

Done at Frankfort, Kentucky, this 18th day of February, 1992.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Executive Director